

**LODI CITY COUNCIL
REGULAR CITY COUNCIL MEETING
CARNEGIE FORUM, 305 WEST PINE STREET
WEDNESDAY, OCTOBER 5, 2005**

C-1 CALL TO ORDER / ROLL CALL

The City Council Closed Session meeting of October 5, 2005, was called to order by Mayor Beckman at 6:45 p.m.

Present: Council Members – Hansen, Johnson, Mounce, and Mayor Beckman

Absent: Council Members – Hitchcock*

Also Present: City Manager King, City Attorney Schwabauer, and City Clerk Blackston

*NOTE: Mayor Pro Tempore Hitchcock was absent due to her attendance at the League of California Cities annual conference in San Francisco.

C-2 ANNOUNCEMENT OF CLOSED SESSION

- a) Conference with Blair King, City Manager, and/or Jere Kersnar, Interim Deputy City Manager (Acting Labor Negotiators), regarding International Brotherhood of Electrical Workers, Lodi Police Officers Association, and Mid-Management Employees pursuant to Government Code §54957.6

C-3 ADJOURN TO CLOSED SESSION

At 6:45 p.m., Mayor Beckman adjourned the meeting to a Closed Session to discuss the above matter.

The Closed Session adjourned at 7:02 p.m.

C-4 RETURN TO OPEN SESSION / DISCLOSURE OF ACTION

At 7:05 p.m., Mayor Beckman reconvened the City Council meeting, and City Attorney Schwabauer disclosed that there was no reportable action taken in closed session.

A. CALL TO ORDER / ROLL CALL

The Regular City Council meeting of October 5, 2005, was called to order by Mayor Beckman at 7:05 p.m.

Present: Council Members – Hansen, Johnson, Mounce, and Mayor Beckman

Absent: Council Members – Hitchcock*

Also Present: City Manager King, City Attorney Schwabauer, and City Clerk Blackston

*NOTE: Mayor Pro Tempore Hitchcock was absent due to her attendance at the League of California Cities annual conference in San Francisco.

B. INVOCATION

The invocation was given by Ken Owen, Christian Community Concerns.

C. PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by Mayor Beckman.

D. AWARDS / PROCLAMATIONS / PRESENTATIONS

D-1 Awards – None

D-2 (a) Mayor Beckman presented a proclamation to Christopher Olson, representing Ameriprice Financial, proclaiming the week of October 2 – 8, 2005, as “Financial Planning Week” in the City of Lodi.

- D-2 (b) Mayor Beckman presented a proclamation to Diane Amaral, Arts Education Assistant with the City of Lodi, proclaiming the month of October 2005 as "National Arts and Humanities Month" in the City of Lodi.
- D-2 (c) Mayor Beckman presented a proclamation to Paula Grech, representing the San Joaquin County Women's Center, proclaiming the month of October 2005 as "Domestic Violence Awareness Month" in the City of Lodi.
- D-3 (a) John Byrd, President of the Lodi Area All Veterans Plaza Foundation, presented a check in the amount of \$10,000 to Mayor Beckman toward the quarterly payment on loan from the City.
- D-3 (b) Donna Phillips reported that "Friends of Lodi Lake" was formed in 1995. She thanked founders Maryann Porterfield and Barbara Brown. Ms. Phillips presented a check in the amount of \$2,500 as adonation toward the City's Centennial tree planting project and asked that the money be used toward planting 24" box trees at Lodi Lake. In addition, she commented that the area known as "Pigs Lake" is eroding and she presented a check in the amount of \$500 toward a fund to raise awareness of this issue.
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E. CONSENT CALENDAR

In accordance with the report and recommendation of the City Manager, Council, on motion of Council Member Mounce, Johnson second, approved the following items hereinafter set forth by the vote shown below:

Ayes: Council Members – Hansen, Johnson, Mounce, and Mayor Beckman

Noes: Council Members – None

Absent: Council Members – Hitchcock

- E-1 Claims were approved in the amount of \$3,640,299.80.
- E-2 The minutes of August 17, 2005 (Regular Meeting), August 30, 2005 (Shirtsleeve Session), August 30, 2005 (Special Meeting), September 13, 2005 (Shirtsleeve Session), and September 20, 2005 (Shirtsleeve Session) were approved as written.
- E-3 Adopted Resolution No. 2005-204 approving the specifications, authorizing advertisement for bids for maintenance of the Lodi Consolidated Landscape Maintenance Assessment District 2003-1, beginning January 1, 2006 and ending June 30, 2007, and authorizing the City Manager to award or reject the contract up to \$168,500.
- E-4 Approved the specifications and authorized advertisement for bids for Elevator Services for City Facilities.
- E-5 Adopted Resolution No. 2005-205 rejecting all bids and authorizing advertisement for bids for the Turner Road Underpass Pump Station Modifications.
- E-6 Adopted Resolution No. 2005-206 awarding the purchase of 22,000 feet of 600-volt insulated electrical cable to G. E. Supply Company, of North Highlands, CA, in the amount of \$39,350.30.
- E-7 Accepted memorial plaque donation from Donna Phillips in honor of Grace Montgomery.
- E-8 Accepted memorial bench and plaque donation from Cheryl D. Moon in honor of Greg Schneider.
- E-9 Accepted memorial plaque donation commemorating Friends of Lodi Lake 10th Anniversary.

- E-10 Adopted Resolution No. 2005-207 authorizing the City Manager to accept the donation of a vehicle to the Lodi Police Department Partners Volunteer Program from the Lodi Lions Club.
- E-11 Adopted Resolution No. 2005-208 approving established overall annual Disadvantaged Business Enterprise goal of 6% for Federal Transit Administration-assisted projects for federal fiscal year 2005-06.
- E-12 Adopted Resolution No. 2005-209 to cast an affirmative vote on Property Assessment Ballot for City properties within the San Joaquin County Mosquito and Vector Control District and authorizing the City Manager, or his designee, to execute and submit ballots.
- E-13 Adopted Resolution No. 2005-210 approving the application for Transportation Planning Grant from the California Department of Transportation (Caltrans) for the Railroad Corridor Transit Oriented Development Plan.
- E-14 Adopted Resolution No. 2005-211 approving the application for grant funds for the California River Parkways Grant Program under the Water Security, Clean Drinking Water, Coastal and Beach Protection Act of 2002.
- E-15 Adopted Resolution No. 2005-212 authorizing renewal of support agreement for Wide Area Network equipment from WAN/LAN Solutions, Inc., of Roseville, CA, in the amount of \$13,900.
- E-16 Adopted Resolution No. 2005-213 authorizing renewal of support agreement for J.D. Edwards software system from Oracle Corporation, of Redwood City, CA, in the amount of \$27,530, and granted the City Manager authority to approve subsequent annual renewals.
- E-17 Adopted Resolution No. 2005-214 authorizing the destruction of certain records retained by the City Clerk's Office.
- E-18 Adopted Resolution No. 2005-215 ratifying Memorandum of Understanding with Lodi City Mid-Management Association for calendar year 2006.
- E-19 Authorized the Treasurer and Revenue Manager to enter into agreement with Farmers and Merchants Bank of Central California for the issuance of a City credit card for Community Development Director, Randy Hatch.
- E-20 Set public hearing for October 19, 2005, for 2005-06 Federal Program of Transit Projects Lodi Urbanized Area.

F. COMMENTS BY THE PUBLIC ON NON-AGENDA ITEMS

- Ed Beswick, Chairman of the Lodi Improvement Committee, announced that 400 Lodi volunteers would be meeting on October 15 as part of the "40 Days of Community" project. Between the hours of 10:00 a.m. and 2:00 p.m., volunteers will be cleaning up various areas of the city.
- Georgianna Reichelt recalled that Mayor Beckman had attended a Manteca City Council meeting to request a continuance of an item and she alleged that he introduced himself as both the Mayor of Lodi and representative of the Building Industry Association (BIA). She felt that this was a conflict of interest and further suggested that Mayor Beckman should not vote on any matter that affects the BIA. Ms. Reichelt mentioned that she was the President of the Land Utilization Alliance and a proponent of slow growth. She assisted citizens with the referendum against Lodi's redevelopment ordinance.

G. COMMENTS BY CITY COUNCIL MEMBERS ON NON-AGENDA ITEMS

- Council Member Hansen reported that he attended a San Joaquin Council of Governments (SJCOG) meeting last week on the topic of Measure K renewal. Measure K, a half cent sales tax, expires in 2011 and a renewal measure is scheduled for the November 2006 General Election. Measure K provides funding for congestion relief, transit, safety, railroad crossings, etc. In addition, the issue of governance, how money should be divided, and the voting structure of SJCOG is being considered. Mr. Hansen recommended that a Shirtsleeve Session be scheduled to discuss these issues.
- In response to Ms. Reichelt's earlier comments, Mayor Beckman acknowledged that he did attend a Manteca Council meeting a few months ago. The Mayor of Manteca introduced him as the Mayor of Lodi and was corrected by Mr. Beckman that he was attending as a representative of the BIA.

H. COMMENTS BY THE CITY ATTORNEY ON NON-AGENDA ITEMS

- City Attorney Schwabauer apologized to the public for his "combative" tone at the September 21 City Council meeting when speaking on the topic of a water rate increase for PCE/TCE remediation.

Mayor Beckman expressed his opinion that the City Attorney had done a good job of "zealously" representing his clients.

Council Member Johnson felt that an apology might also be due from some members of the public who spoke at the September 21 City Council meeting in a less than civil tone.

I. PUBLIC HEARINGS

- I-1 Notice thereof having been published according to law, an affidavit of which publication is on file in the office of the City Clerk, Mayor Beckman called for the public hearing to consider resolution adopting Engineer's Report, confirming assessments, overruling protests and declaring assessment ballot results and annexing five zones into the Lodi Consolidated Landscape Maintenance Assessment District 2003-1 and forming zones 8, 9, 10, 11, and 12.

Rick Clark, Project Manager for NBS, mentioned that his firm was assisting the City with the annexation of five new zones into the Lodi Consolidated Landscape Maintenance Assessment District 2003-1. He explained that assessment amounts are comprised of specific improvements, which include landscape maintenance, repair, replacement, water, electricity, masonry block walls, street trees, park maintenance, administrative fees, publication costs, and a contingency component.

Hearing Opened to the Public

None.

Public Portion of Hearing Closed

City Clerk Blackston reported that she personally received the ballots cast in the special assessment mailed ballot procedure as called by the City Council in Resolution 2005-167 adopted August 17, 2005. She explained that the assessment ballots are weighted according to the proportional financial obligation the affected property has to the total assessment amount. Ms. Blackston declared the balloting closed and certified the results of the tabulation to be as follows:

Vintage Oaks – Zone 8

Total assessment ballots cast YES	\$7,083.90
Total assessment ballots cast NO	Zero

Interlake Square – Zone 9

Total assessment ballots cast YES	\$2,181.96
Total assessment ballots cast NO	Zero

Lakeshore Properties – Zone 10

Total assessment ballots cast YES	\$1,156.92
Total assessment ballots cast NO	Zero

Tate Property – Zone 11

Total assessment ballots cast YES	\$1,732.92
Total assessment ballots cast NO	Zero

Winchester Woods – Zone 12

Total assessment ballots cast YES	\$1,169.92
Total assessment ballots cast NO	Zero

MOTION / VOTE:

The City Council, on motion of Mayor Beckman, Hansen second, adopted Resolution No. 2005-216 adopting the Engineer's Report; confirming assessments; overruling protests and declaring assessment ballot results; and annexing five zones into the Lodi Consolidated Landscape Maintenance Assessment District No. 2003-1 and forming Vintage Oaks Zone 8, Interlake Square Zone 9, Lakeshore Properties Zone 10, Tate Property Zone 11, and Winchester Woods Zone 12.

The motion carried by the following vote:

Ayes: Council Members – Hansen, Johnson, Mounce, and Mayor Beckman

Noes: Council Members – None

Absent: Council Members – Hitchcock

J. COMMUNICATIONS

J-1 Claims filed against the City of Lodi – None

J-2 Appointments – None

J-3 Miscellaneous – None

NOTE: The City Council heard the following item out of order.

M. ADJOURN TO SPECIAL JOINT MEETING OF THE LODI CITY COUNCIL AND REDEVELOPMENT AGENCY

At 7:45 p.m., Mayor Beckman adjourned the regular meeting of the City Council to a Special Joint meeting with the Redevelopment Agency (NOTE: Refer to the Special Joint meeting with the Redevelopment Agency minutes of October 5, 2005).

The Regular City Council meeting reconvened at 8:44 p.m.

K. REGULAR CALENDAR

K-1 “Adopt resolution approving matching grant application of G-REM, Inc. for public art project to be located at the Vintner's Square Development (\$40,000)”

Donna Phillips, representing the Art in Public Places Advisory Board, reported that the Board unanimously approved G-REM, Inc.'s matching grant application on August 31.

Robyn Burror, Public Art Manager for the city of Stockton, explained that she was hired by G-REM to facilitate the public art project to be located at the northwest corner of the Vintner's Square development at Highway 12 and Westgate Drive. The public art proposal

is a mural project made of ceramic tiles set into a semi-circular stone wall. The wall will be six feet in height, 27 feet long. The mural is designed to be a panoramic view of the Lodi area including its wildlife, vineyards, and the history of German and Italian wine making.

Council Member Mounce supported the concept of public art; however, due to the City's poor financial condition at this time, she would vote against the proposal.

MOTION / VOTE:

The City Council, on motion of Council Member Hansen, Beckman second, adopted Resolution No. 2005-217 approving matching grant application in the amount of \$40,000 of G-REM, Inc. for public art project to be located at the Vintner's Square Development. The motion carried by the following vote:

Ayes: Council Members – Hansen, Johnson, and Mayor Beckman

Noes: Council Members – Mounce

Absent: Council Members – Hitchcock

RECESS

At 8:55 p.m., Mayor Beckman called for a recess, and the City Council meeting reconvened at 9:05 p.m.

K. REGULAR CALENDAR (Continued)

NOTE: The following item was heard out of order.

- K-6 "Discuss Lodi Municipal Code Title 5, Permits and Regulations, Chapter 5.12, Cardrooms, and provide direction to staff regarding potential revisions"

Council Member Johnson stated that attorney Tom Newton, representing a local business, approached him to ask if Council would consider updating the City's ordinance related to card rooms.

PUBLIC COMMENTS:

- Tom Newton stated that he was representing Jack Morgan, sole owner since 2001 of Jack's Back Bar on Sacramento Street, which has an adjoining card room. Lodi's current ordinance, adopted in 1955, identifies the games that can be played within the City, but does not define the rules. Mr. Newton stated that, over the years, the management and supervision of card rooms has passed from local agencies to the State. In 1984, a division was formed at the State that monitors both Indian casino gambling and card rooms. In 2000, the Department of Gaming Control was formed, which oversees the operation of card rooms and approves what games (and the rules of each game) that can be played. Mr. Newton noted that Texas Hold Em is a very popular card game today. He reported that the following cities have amended their ordinances to allow Texas Hold Em to be played: Manteca, Stockton, Sacramento, Modesto, Fresno, Turlock, Merced, Napa, American Canyon, Hayward, Emeryville, Clovis, and Oakdale. Fresno exacted a 9% gross receipts tax on its card rooms. Mr. Newton stated that Jack Morgan would agree to the 9% gross receipts tax should Lodi wish to institute it. Mr. Newton estimated that Mr. Morgan's card room could generate up to \$275,000 annually on a gross receipts basis. In addition, if proposed ordinance changes are adopted, there would be up to 40 jobs created. Mr. Newton outlined the following requests to be incorporated in the ordinance amendment:
 - Allow any game approved by the Department of Gaming Control;
 - Increase hours of operation from 2:00 a.m. to 4:00 a.m. on Saturdays and Sundays;
 - Increase the limit of the number of players per table from 7 to 10; and
 - Authorize a 7th table.

Council Member Hansen disclosed that he met with Mr. Newton previously about this matter and is willing to support it. He expressed concern about allowing any game approved by the Department of Gaming Control, as he preferred such changes come before Council for approval.

Council Member Johnson asked that the Police Department provide comment on the issue of extending the hours of operation.

Council Member Mounce also disclosed that she met with Mr. Newton previously and was interested in considering an amendment to the ordinance.

- Ann Cerney asked how often the number of card room tables could be increased.

Mr. Newton replied that State law stipulates that the number of tables can be increased by 25% one time without going to a vote of the people.

Mayor Beckman asked staff to draft possible amendments to the City's card room ordinance and bring back options to Council for consideration.

MOTION / VOTE:

It was the consensus of the City Council that the City Attorney prepare a draft ordinance on this issue.

- K-2 "Adopt resolution approving proposed Sidewalk Maintenance Policy and provide direction to staff as needed"

City Manager King noted that Section 5600 of the Streets and Highways Code regulates maintenance of sidewalks. It states that cities can order fronting property owners to repair sidewalks that endanger persons or property or if a condition exists that interferes with the public convenience of the use of the sidewalk. Staff wishes to reinforce that section of State law as a policy of the City and to have an ordinance that would provide the transfer of third party liability. Staff also recommends that if a City street tree causes the sidewalk damage that the City pay 50% of the cost to repair it. In addition, an assessment deferral program is proposed for low-income and hardship cases, in which the City would make the repairs and assess the cost to be paid upon transfer of the property. There would also be a 12-month payment program without interest offered.

Kirk Evans, Risk Manager, commented that the proposed ordinance would provide strong incentive for property owners to make sure their sidewalks are in good condition and repair any defects, because they would be liable if someone is injured. It would also ensure participation of the adjoining property owners' insurance carriers, so they would participate in any trip and fall claim settlements.

Council Members Mounce, Johnson, Hansen, and Mayor Beckman agreed that if a City tree caused the damage to the sidewalk, the City should pay 100% of the repair cost.

PUBLIC COMMENTS:

- Ann Cerney asked how it is determined whether it is a City tree.

Public Works Director Prima replied that if the tree is in the right of way then it is considered a City tree.

MOTION / VOTE:

The City Council, on motion of Council Member Mounce, Beckman second, adopted Resolution No. 2005-218 approving proposed Sidewalk Maintenance Policy, as amended. The motion carried by the following vote:

Ayes: Council Members – Hansen, Johnson, Mounce, and Mayor Beckman

Noes: Council Members – None

Absent: Council Members – Hitchcock

- K-3 “Adopt resolution approving proposed Sidewalk Installation Policy and provide direction to staff as needed”

Public Works Director Prima explained that the purpose of the proposed policy was to encourage walking by having a linking system of pedestrian paths. Phase 1 would offer grants to cover half the cost of the sidewalk with voluntary participation on a first come, first served basis focusing on residential parcels. 100% funding would be provided for disabled persons meeting low-income criteria per the City Utility's SHARE program. A deferral program would be available for other low-income homeowners. Phase 1 is to be completed in six years. The annual budget amount for the program is \$50,000. Phase 2 of the program would consist of the remaining parcels from Phase 1, in which property owners declined to participate and the City would systematically order installation. The property owner would bear 100% of the cost; however, the low-income deferral program would be offered. Subdivisions that were approved without sidewalks are excluded from the program. The City would waive encroachment permit fees for people who participate voluntarily. Option B proposes 100% City funding with no Phase 2, and Option C would be to handle sidewalk requests on a case-by-case basis.

Council Member Johnson was opposed to a cost sharing program. Due to the fact that property owners are responsible for sidewalks fronting their property, he felt they should pay for the entire cost. He expressed support for the deferral program and low-income considerations. He noted that the City's General Plan calls for sidewalks and it should be enforced.

Council Member Hansen felt that the City should share in the cost because it is partly responsible for the current situation.

Council Member Mounce spoke in support of Option A as presented; however, she expressed concern regarding forcing residents to put in sidewalks, particularly where fences or other structures may have to be removed in order to comply.

Mayor Beckman was opposed to the cost sharing proposal and the concept of mandating the program and then requiring property owners to pay for it.

PUBLIC COMMENTS:

- Ann Cerney pointed out that the proposal exempts certain affluent neighborhoods built without sidewalks, and yet poorer areas will be required to install sidewalks at the homeowners' expense.

Mayor Beckman suggested that sidewalk installation be required when there is a change of ownership or major repairs are done on the property, in which case the property owner would be 100% responsible for the cost.

Council Member Mounce expressed support for Mr. Beckman's suggestion.

Council Member Johnson pointed out that Mr. Beckman's suggestion would not solve the problem, as the ownership of the property may not change for decades. He recommended that Public Works provide property owners with names of two or three reputable contractors to perform the sidewalk installation and that City fees be waived.

Council Member Mounce offered another option where property owners pay 100% of the cost and the City would pay 100% of the cost for low-income and disabled persons.

Ann Cerney reported that there are Federal guidelines related to poverty levels and homes are exempt from the criteria. She noted that very few low-income persons are homeowners.

Mayor Beckman and Council Member Johnson were opposed to Ms. Mounce's suggestion.

MOTION / VOTE:

There was no Council action taken on this matter.

- K-4 "Adopt resolution authorizing the City Manager, or his designee, to approve advance procurement of energy (up to 95% of the Electric Utility's net open position) through Northern California Power Agency (estimated at \$11.3 million pursuant to pricing on 9/13/2005)"

Dave Dockham, Interim Electric Utility Director, explained that it is necessary to procure 95% of the net short open position that the Utility has to meet its load serving obligation in the community. Staff has arranged to have supply proposals given to the Northern California Power Agency tomorrow at 9:00 a.m. Those supplying the proposals are required to hold them open for three hours to allow time for evaluation before a decision to purchase is made.

Mr. Dockham stated that the City has a number of resources that it either has procured in the form of a contract or it has an ownership share of. Lodi Electric Utility is part of a seasonal exchange with Seattle City Light in Washington. He explained that utilities in Central California get energy from the northwest during the summer and utilities here return that energy to the northwest during the winter. Lodi also has investments in geothermal facilities and there are contracts signed with the City and three suppliers. There is a small amount of energy received from the Western Area Power Administration. The City has an ownership share in the Calaveras hydroelectric project and has a steam injected gas turbine next to the White Slough Water Treatment Plant.

Mr. Dockham reported that the recent hurricanes in the Louisiana and Texas areas have decimated the supply infrastructure. A number of natural gas producing facilities are out of service. Mr. Dockham believed there would be a likelihood of power prices increasing in the near term months. At the time the staff report was prepared for this item, the cost to secure the net short position was \$11.3 million. Since that time, prices have increased and it is now projected to cost \$13 million. Mr. Dockham reported that the Electric Utility's budget was adopted in June 2005 with a deficit of \$8 million. At that time, it would have taken a 16% increase in electric rates to get the budget back in balance. Due to the higher cost of energy since September, that percentage has now increased to 18.9%. Mr. Dockham asked that the draft resolution for this item be changed from "... *at the best price available on the market pursuant to pricing on September 13, 2005*" to "...*at the best price available on the market October 6, 2005.*"

Council Member Hansen stated that this situation is why former Electric Utility Director Alan Vallow was terminated. The City is not covered with an adequate supply of purchased power and the Council was led to believe it was.

In reply to questions posed by Council Member Hansen, Mr. Dockham acknowledged that being in the position to respond quickly to market volatility is critical, as is having an adequate fund balance that can absorb changing prices. He acknowledged that it is possible for the price to drop below \$65 in the next twelve months. He cautioned that by entering into this contract, the City is equally likely to see prices go down and be criticized for buying at this level, as it is to have prices go up and be criticized for not buying at this level when the opportunity existed. The Department of Energy is advising that prices of gas

are at historic highs at this time (\$14 a million BTU) and could increase to \$20 in the next couple of months. NCPA recommends buying power only through June 2006. Mr. Dockham did not recommend purchasing power only through March 2006. He stated that it is possible that Lodi's electric rates would be higher than Pacific Gas & Electric. Currently, energy is costing the City significantly more than what is being charged. Market Cost Adjustments (MCA) allow for recovery of the true cost of selling electricity to the community. Rates are set based on the revenue and expense profile of the Utility. Rates should be set appropriate to the cost structure and the MCA used solely as an adjusting mechanism.

Finance Director Krueger reported that the actual final 2005-06 budget number for purchase of power was \$39.8 million. He acknowledged that adjustments were made and the purchase amount is different than what was originally anticipated.

MOTION / VOTE:

The City Council, on motion of Council Member Hansen, Beckman second, adopted Resolution No. 2005-219 authorizing the City Manager, or his designee, to approve advance procurement of energy (up to 95% of the Electric Utility's net open position) at the best price available on the market October 6, 2005, through NCPA. The motion carried by the following vote:

Ayes: Council Members – Hansen, Johnson, Mounce, and Mayor Beckman

Noes: Council Members – None

Absent: Council Members – Hitchcock

VOTE TO CONTINUE WITH THE REMAINDER OF THE MEETING

The City Council, on motion of Council Member Johnson, Beckman second, voted to continue with the remainder of the meeting following the 11:00 p.m. hour. The motion carried by the following vote:

Ayes: Council Members – Hansen, Johnson, Mounce, and Mayor Beckman

Noes: Council Members – None

Absent: Council Members – Hitchcock

K. REGULAR CALENDAR (Continued)

- K-5 “Approve use of Request for Proposal process and authorize solicitation of proposals for purchase of water meters for a Residential Water Meter Retrofit Project”

Public Works Director Prima reported that the 2005-06 budget includes the purchase of a certain amount of water meters to be installed for testing purposes. Public Works will be partnering with Electric Utility on an automated meter reading system. Staff will return to Council in one year with a metered rate recommendation. He confirmed that, with the first 400 water meters, it was staff's intention not to charge for meters or for the installation.

MOTION / VOTE:

The City Council, on motion of Council Member Mounce, Beckman second, approved the use of the Request for Proposal process and authorized the solicitation of proposals for purchase of water meters for a Residential Water Meter Retrofit Project. The motion carried by the following vote:

Ayes: Council Members – Hansen, Johnson, Mounce, and Mayor Beckman

Noes: Council Members – None

Absent: Council Members – Hitchcock

- K-7 "Approve expenses incurred by outside counsel/consultants relative to the Environmental Abatement Program litigation and various other cases being handled by outside counsel (\$115,496.74) and approve Special Allocation covering general litigation matter expenses (\$1,966.05)"

City Attorney Schwabauer reviewed the "blue sheet" staff report for this item (filed) and recommended that Council approve the payment for expenses incurred by outside counsel and consultants.

MOTION / VOTE:

The City Council, on motion of Council Member Hansen, Mounce second, approved expenses incurred by outside counsel/consultants relative to the Environmental Abatement Program litigation and various other cases being handled by outside counsel in the amount of \$111,312.74 and approved Special Allocation covering general litigation matter expenses in the amount of \$1,909.05, as detailed below, by the following vote:

Ayes: Council Members – Hansen, Johnson, Mounce, and Mayor Beckman

Noes: Council Members – None

Absent: Council Members – Hitchcock

Folger, Levin & Kahn

Matter No.	Invoice No.	Date	Description	Total Amount
8002	90293	08/31/05	People v M&P Investments	\$31,860.13 (3,032.00)
8003	90294	08/31/05	Hartford Insurance Coverage Litigation	\$888.28
8006	90296	08/31/05	Fireman's Fund/Unigard Appeal	\$20,427.67 (235.00)
8008	90297	08/31/05	Envision Law Group	\$59,107.83 (\$860.00)
				<u>\$108,156.91</u>

Kronick, Moskovitz, Tiedemann & Girard

Matter No.	Invoice No.	Date	Description	Total Amount	Distribution	
					100351.7323	183453.7323
11233.021	221539	08/25/05	On-Site Litigation Support	1246.78		1246.78
11233.001	221540	08/25/05	General advice	657.10 (57.00)	657.10 (57.00)	
11233.026	221540	08/25/05	Lodi First v. City of Lodi	416.65	416.65	
11233.027	221540	08/25/05	Citizens for Open Govt.v.Col	892.30	892.30	
				<u>3,155.83</u>	<u>1,909.05</u>	<u>1,246.78</u>

L. ORDINANCES

None.

N. ADJOURNMENT

There being no further business to come before the City Council, the meeting was adjourned at 11:24 p.m.

ATTEST:

Susan J. Blackston
City Clerk